

NORTHSTAR MINES, LLC

35 Mammoth Main St.

P.O. Box 190
EUREKA, UT 84628
435-433-6612

3139

31-5/1240

ORIGINAL CHECK
ROUTED TO ACCOUNTING

Date June 23, 2015

P

Pay to the
Order of

Utah Division of Oil Gas and Mining

\$ 300.00

THREE HUNDRED AND No/100

Dollars

Security
Features
Details on
Back.

ZIONS BANK
120 East Main Street
UT 84655

FOR Annual permit fee for 2014 S/023/0106

[Signature]

MP

RECEIVED

JUN 29 2015

DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 10, 2015

Spens Hansen
Northstar Clay Mines, Inc.
35 Mammoth Street
P.O. Box 190
Eureka, Utah 84628

Subject: Permit Fees and Annual Reports, Northstar Clay Mines Inc., Blackjack Mine, S/023/0106, Juab County, Utah

Dear Mr. Hansen:

This letter is to inform Northstar Clay Mines, Inc., that it has not yet paid its annual permit fees to operate a mine in Utah. The total amount due is \$300 which includes the fees for 2014 and 2015. Until the fee is paid, approval from the Division of Oil, Gas and Mining to conduct mining operations is suspended, and failure to pay the permit fee can result in withdrawal of the Notice of Intention to Commence Small Mining Operations. Please submit the permit fees by June 30, 2015. You may be subject to a cessation order and associated fines if the mine is operating under a suspended permit.

In addition, the annual report for 2014 was not filed. Enclosed is a copy of the annual report form, and it can be obtained from the Division's web site at http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/permit_forms.html.

Please contact Wayne Western at 801-538-5263 if you have questions concerning these requirements.

Sincerely,

Paul B. Baker

Mining Program Manager

Copy

PBB: whw: eb

Enclosure: Inspection Report

P:\GROUPS\MINERALS\WP\M023-Juab\S0230106-Blackjack Clay\final\LTR-fees, ar-06082015.doc

1594 West North Temple, Suite 1210, Salt Lake City, UT 84116

PO Box 145801, Salt Lake City, UT 84114-5801

telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov



UTAH DEPARTMENT OF NATURAL RESOURCES - DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210, Salt Lake City UT 84116 (Delivery service)
Box 145801, Salt Lake City UT 84114-5801 (US Postal service)
Telephone: (801) 538-5342

SMALL MINING OPERATIONS PROGRESS REPORT
January 1, 2014 to December 31, 2014

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules as under the Utah Minerals Regulatory Program. The report is due January 31 each year.

1. Mine Permit Number: S/023/0106
2. Mine Name: Blackjack clay mine
3. Name of Operator/Permittee: Northstar clay mines
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf.
4. Report the gross amount of ore or product mined and waste moved
Gross ore or product mined 28,540 (amount) tons (units)
Waste material moved est. 7,500 (amount) tons (units)
Primary Commodities Produced Alumina clay ore
5. New disturbance created during the year — 0 — Acres
Area reclaimed during the year — 0 — Acres
TOTAL disturbed area at the end of the year 6 Acres*
*The total disturbed area should not be greater than the permitted and bonded acreage.
6. Briefly describe any reclamation work performed during the past year. Attaching a map showing disturbed and reclaimed areas is recommended (per R647-3-105).
No reclamation work performed during 2014

Note: To apply for full or partial bond/site release submit form MR-SITE available at the Divisions web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-SITE.pdf.

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Spenst Hansen
Title of Operator: Manager and president
Signature of Operator: Spenst Hansen
Date: June 23, 2015

NORTHSTAR MINES LLC
Mammoth Main St., P.O. Box 190
EUREKA, UTAH 94628

Phone 435-433-6612, Email xyzmining@hotmail.com.

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JUN 29 2015

DIV. OF OIL, GAS & MINING

June 23, 2015

Mr. Paul B. Baker,
Mining Program Manager
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re Small Mining Permit S/023/0106

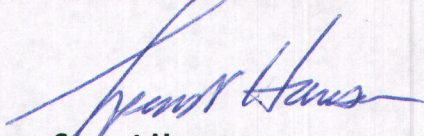
This is in response to your letter dated June 10, 2015 and postmarked June 15, 2015 subject Permit Fees and Annual Reports, Northstar Clay Mines, INC., Blackjack Mine, S/023/0106, Juab County, Utah.

Enclosed herewith are two checks, each in the amount of \$150 to pay the fee for 2014 and 2015 respectively.

The fully completed annual report for 2014 is also enclosed herewith, along with an aerial map of our operations. There have been no reclamation activities carried out during 2014.

Should you have any questions, please contact me at the above address or telephone number. We intend to remain in full compliance with the rules and regulations of the Utah Department of Natural Resources.

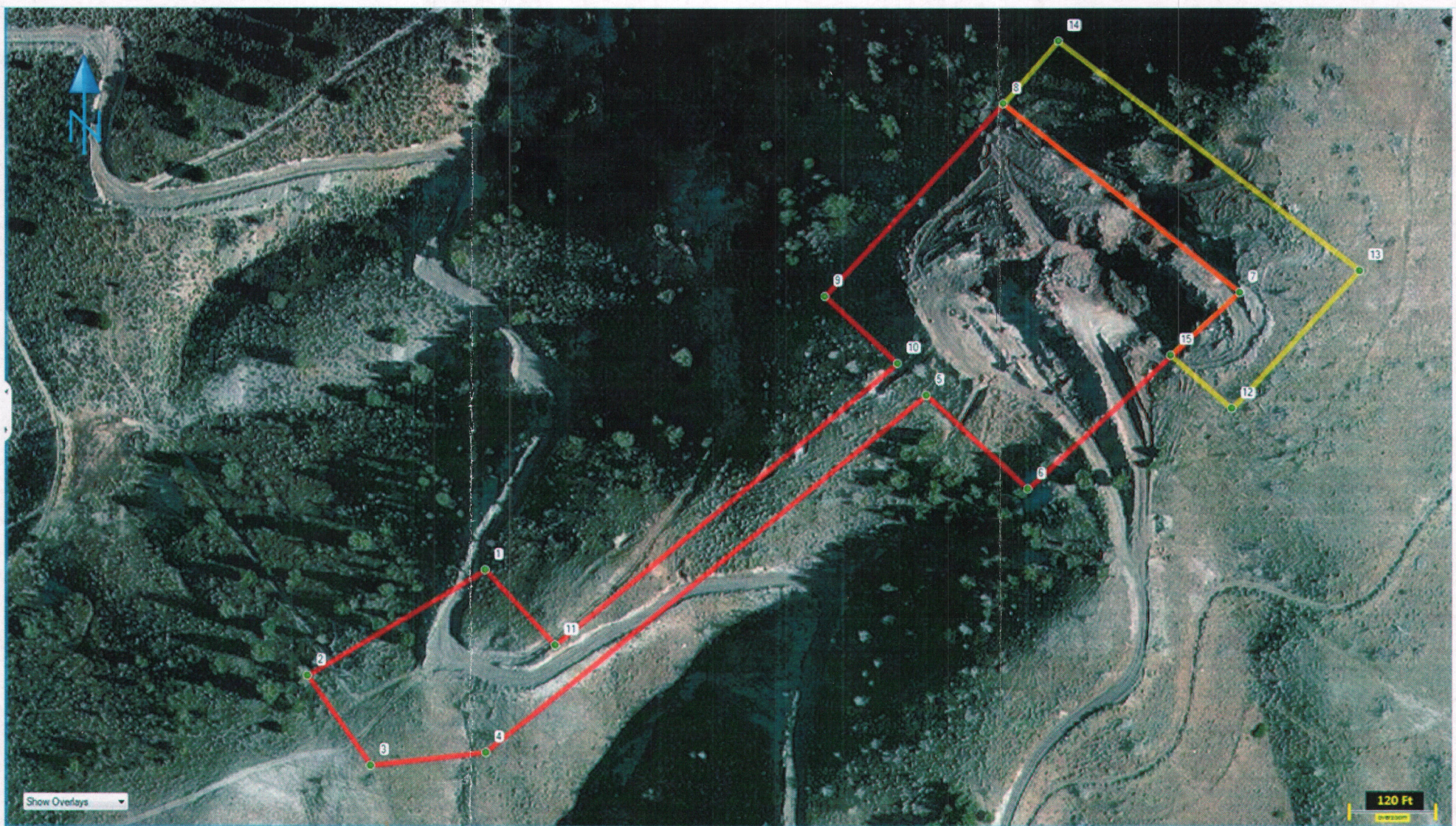
Yours Truly
Northstar Mines LLC



Spent Hansen
Manager and President

Enclosures.

CC: Wayne Western



Northstar Mines LLC

SW 1/4 of Section 30, T10S, R2W, SLM

BACKJACK CLAY MINE OPERATIONS MAP

Location of small mine operation

Clay ore is being open pit mined for portland cement ingredients.

After the operations are complete, the land will be reclaimed.

- **Northstar Mine Area**
5 Acres
- **Add'l Disturbance**
1 Acre